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Information on United Nations system technical cooperation expenditures, 2008

Summary

In its decision 81/34 of 27 June 1981, the UNDP Governing Council requested the Administrator to continue to provide data on the magnitude and composition of technical cooperation activities funded by organizations of the United Nations system (DP/2006/42/Add.1 refers). These organizations include the UNDP, UNFPA, the United Nations Children's Fund, the World Food Programme and participating organizations.

Additionally, information of technical cooperation provided by the World Bank/International Development Association is presented independently in table 23 of DP/2009/29/Add.1.

General Assembly resolution 63/232, adopted on 17 March 2009, requested UNDP and the United Nations Department of Economic and Social Affairs to integrate, by 2010, information from the report on United Nations system technical cooperation expenditures and its statistical addendum into the report on the comprehensive statistical analysis of the financing of operational activities for the development of the United Nations system.

Elements of a decision

The Executive Board may wish to (a) support the integration of information from the report on United Nations system technical cooperation expenditures and its statistical addendum into the report on the comprehensive statistical analysis of the financing of operational activities for the development of the United Nations system, as per General Assembly resolution 63/232, and (b) take note that, effective 2010, the United Nations Department of Economic and Social Affairs will implement resolution 63/232 and prepare a comprehensive statistical analysis of the financing of operational activities for the development of the United Nations system.

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I. Highlights

1. In 2008, expenditure of technical cooperation on Millennium Development Goals across the United Nations system and programme countries (excluding the World Bank group), was $15.2 billion – a 16.3 per cent increase over the $13.1 billion spent in 2007.

2. A statistical snapshot over the last five-year period is presented at the end of this paper and captures the perspective of multi-year trends in growth of technical cooperation expenditure incurred, and contributions received.

3. Executing and specialized organizations reported an overall increase of 16.8 per cent in expenditure, from $3.5 billion in 2007 to $4.1 billion in 2008. Contributions to these organizations dropped nearly 12 per cent, from $4.1 billion in 2007 to $3.6 billion in 2008. Overall growth in expenditure at UNDP was 11 per cent, up to $4.3 billion in 2008 from $3.9 billion in 2007. However, contributions to UNDP, decreased some 2 per cent. With its focus on humanitarian activities, the World Food Programme (WFP) continued to record significant increases in programme expenditure aimed at alleviating human distress. In 2008, WFP spent $3.5 billion towards this objective, a year-over-year increase of 28 per cent ($2.8 billion in 2007). Contributions received by WFP rose 77 per cent over, from $2.8 billion in 2007, to $5.0 billion in 2008. UNICEF, with its focus on the well-being of children, spent $2.7 billion in 2008 – an 11 per cent increase from the 2007 level of $2.4 billion. The United Nations Children's Fund (UNICEF) also saw a significant increase in funding, from $2.9 billion in 2007 to $3.4 billion (14 per cent). In keeping with its mandate, UNFPA concentrated its efforts on population activities as they relate to women and children with an emphasis on the disenfranchised. UNFPA spent $554 million in 2008, an increase of approximately 16 per cent over the $477.8 million spent in 2007. UNFPA receipts were 12 per cent greater in 2008, increasing from $673.9 million to $754.8 million. An analysis of the five-year trend in growth of technical cooperation expended by the organizations, funds and programmes is shown in figures 1 and 2.

4. The World Bank/International Development Association assistance to developing nations in 2008 amounted to $138.8 million. This was a decrease of 38.8 per cent compared with $227.2 million spent in 2007. In 1998, the World Bank/International Development Association decided to stop recording expenditures specifically related to technical cooperation activities. Thereafter, summary data submitted represented a combination of loans and grants related to assistance preceding, or combined with, large-scale programmes and projects. Table 23 of the addendum (DP/2009/32/Add.1) provides detailed analysis of the activities as presented by the World Bank/International Development Association.

5. In 2008, the total amount of technical cooperation spent was $15.2 billion. UNDP central resources and its administered funds accounted for $4.3 billion of total expenditures, equivalent to 28 per cent of total technical cooperation. WFP reported expenditure of $3.5 billion, or 23 per cent of total technical cooperation. UNICEF spent $2.7 billion, equivalent to 18 per cent of total technical expenditures, while UNFPA spent $554 million, or 4 per cent of total technical cooperation expenditures. The combined balance of the other specialized organizations, funds and programmes was $4.1 billion, equal to approximately 27 per cent of total technical cooperation expenditures.

Figure 1: United Nations system overall technical cooperation expenditure – five year trend, 2004-2008
(in millions of dollars)

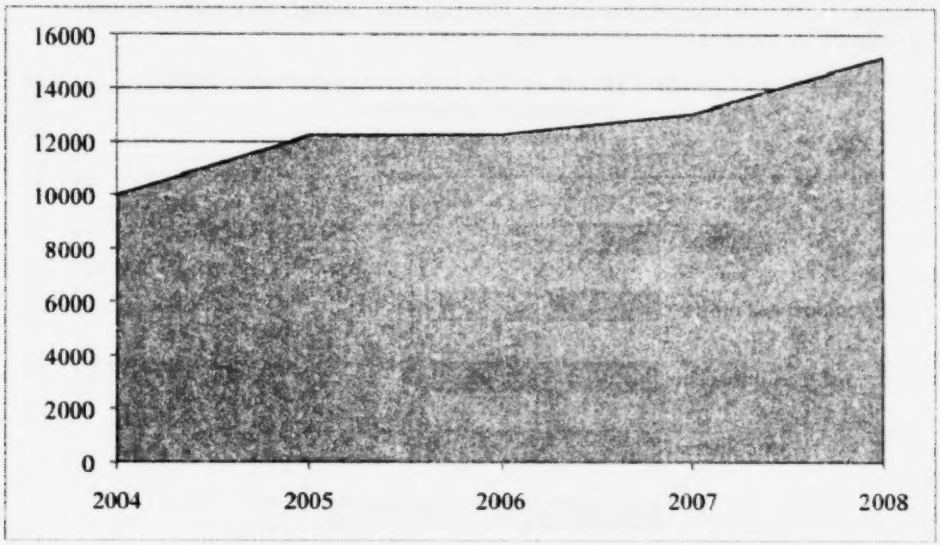
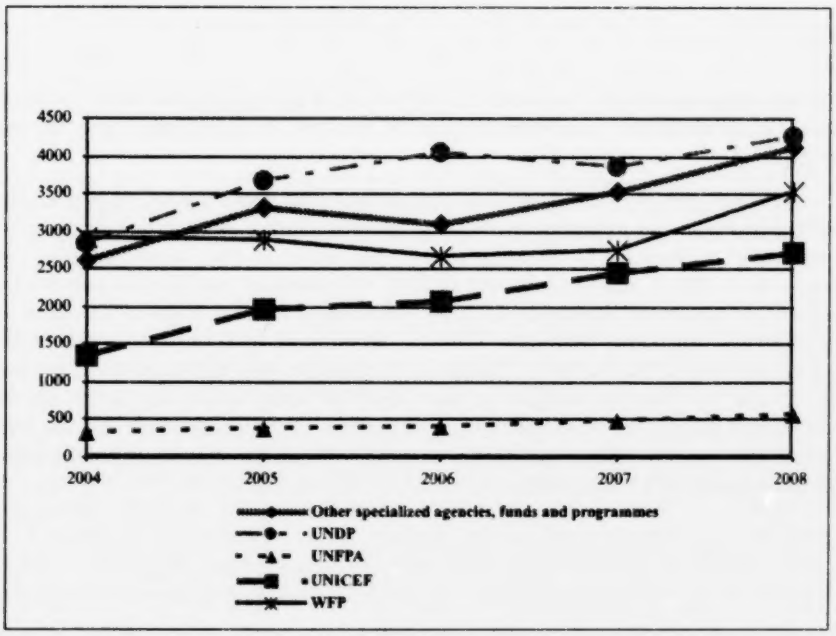
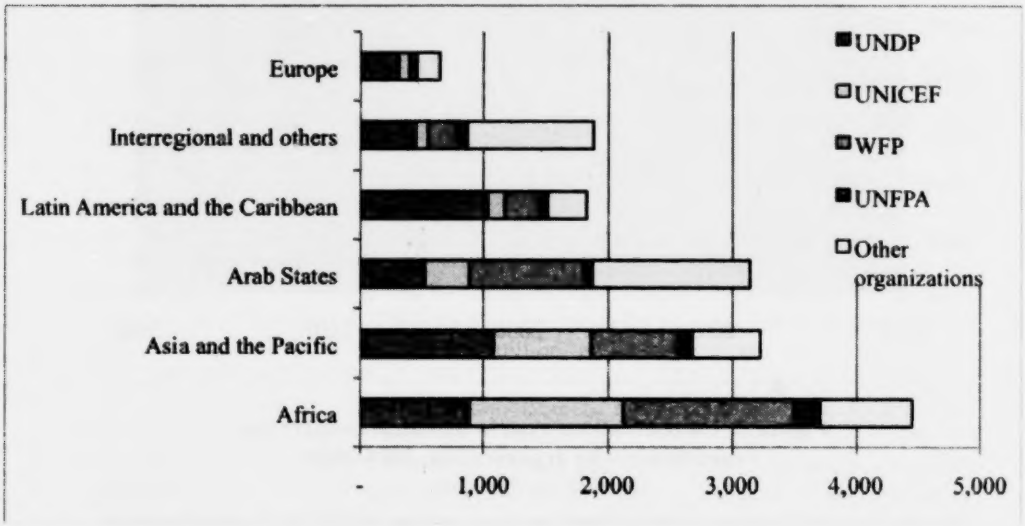


Figure 2: United Nations system technical cooperation expenditure – by organization, 2004-2008
(in millions of dollars)



6. As shown in figure 3, technical cooperation was distributed among the five major regions during 2008, as follows: Africa – $4.4 billion (29 per cent); Asia and the Pacific – $3.2 billion (21 per cent); Arab States – $3.1 billion (21 per cent); Latin America and the Caribbean – approximately $1.8 billion (12 per cent); and Europe – $0.6 billion (4 per cent). Interregional, global and other initiatives accounted for the remaining $1.9 billion (13 per cent).

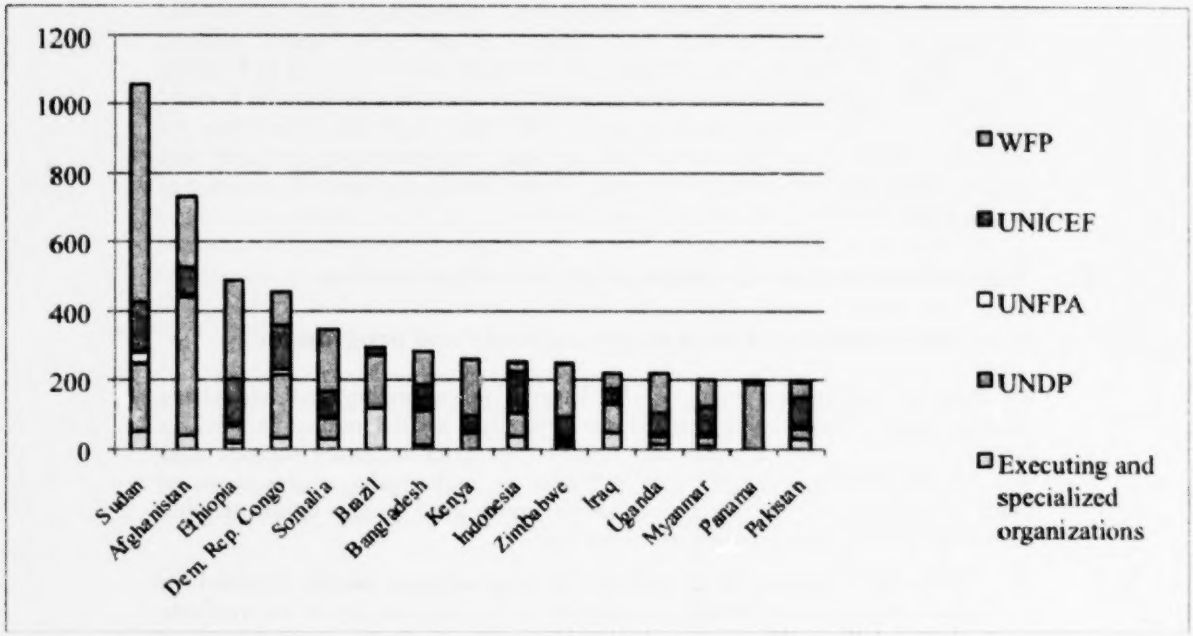
Figure 3: United Nations system technical cooperation 2008: geographic breakdown
(in millions of dollars)



7. Out of the combined pool of $15.2 billion, $5.4 billion (36 per cent) was spent among 15 programme countries. Figure 4 presents a graphical view of this distribution.

8. Figure 4 also presents the allocation among the participating organizations, UNDP, and funds and programmes. Similar to 2007, Sudan was the largest recipient of technical cooperation – $1.1 billion (7 per cent) of the combined pool, an increase from $982.7 million received in 2007. Afghanistan was also among the top recipients of technical assistance in 2008, receiving $729.9 million (5 per cent) of total technical assistance resources. This was an increase of $246.1 million from the amount received in 2007 of $482.2 million. The third largest recipient was Ethiopia, with a total of $489.6 million (3 per cent) of total resources spent in the development domain by the United Nations system. In 2007, Ethiopia was the fifth largest recipient of technical assistance, with $337.9 million of total receipts for that year; an increase of $151.4 million.

Figure 4: Top 15 recipients of United Nations technical assistance, 2008
(in millions of dollars)



9. In 2008, the top 15 countries that received technical assistance changed. Of note, Zimbabwe, Iraq and Myanmar have entered the top 15 recipients of technical cooperation activities. Zimbabwe received $247.4 million, Iraq received $220.5 million, Uganda received $218.9 million, and Myanmar received $202.8 million.

10. Argentina, India and Nigeria were not part of the top 15 group for 2008, but these recipients still accounted for significant allocation of resources: Argentina received $186.4 million, India received $190.3 million and Nigeria received $163.7 million.

11. Specialized organizations, funds and programmes continued actively facilitating development assistance to programme countries. In 2008, expenditure of technical assistance from the United Nations system funds and programmes increased by 16 per cent to $15.2 billion, compared with $13.0 billion in 2007. UNICEF spent $2.7 billion in providing services to enhance the well-being of children through its funds and programmes; WFP spent $3.5 billion worth of food aid to its programmes. In alignment with its mandate, UNFPA focused on technical assistance in the area of population projects and programmes amounting to $554 million. UNDP spent $4.2 billion in alignment with its strategic plan. This was allocated between its central resources, comprising of core and cost-sharing activities plus its administered funds, which accounted for $3.0 billion and $1.2 billion, respectively.

12. In 2008, UNDP introduced corporate outcomes against corporate priorities, thus requiring a further mapping to the Administrative Committee on Coordination (ACC) sector approach. This committee was established in 1946 by the Economic and Social Council and has since been renamed the United Nations System Chief

Executives Board for Coordination. In the preparation of the 2008 sector classification, UNDP mapped its corporate outcomes to the ACC sectors.

13. For 2008, the combined pool of resources encompassed by the ACC sectors was $15.2 billion. Applying this classification, expenditure was as follows: humanitarian assistance received $3.8 billion (25 per cent); health received approximately $3.1 billion (20 per cent); general development received $1.8 billion (12 per cent); education received $1.0 billion (7 per cent); and agriculture, forestry and fisheries received $843.9 million (about 6 per cent). Aggregate expenditure for these five sectors was $10.5 billion (69 per cent). The balance of the funds was spread among 15 sectors for approximately $4.6 billion, equivalent to 31 per cent of the total expended technical cooperation.

II. Analysis of technical cooperation by organization

A. Other specialized organizations, funds and programmes

14. Expenditures funded from regular budgets for executing and specialized organizations increased more than 37 per cent: from $470.8 million in 2007 to $650.2 million in 2008. Expenditures funded from extra-budgetary sources other than UNDP, UNFPA, UNICEF and WFP (that is, participating organizations or funds and programmes) increased from $3.0 billion in 2007, to $3.5 billion in 2008, representing an increase greater than 13 per cent.

15. Within this classification of participating organizations, Brazil accounted for the highest proportion of resources expended: $117.7 million out of the available pool of $3.5 billion. The next highest recipients were: Sudan, with a total of $49.1 million, the Islamic Republic of Iran with $44.8 million, Afghanistan with $36.7 million, and India with $34.6 million. The five top programme countries received a total of $282.9 million, or 7 per cent, of total available funding.

16. In 2008, contributions received within the United Nations system to provide technical assistance through its specialized organizations, funds and programmes decreased from $4.1 billion in 2007, to $3.6 billion in 2008. This represents a reduction loss in income of approximately 12 per cent. Allocations were distributed between two major categories – bilateral and multilateral – with the bilateral category showing a decrease of almost 40 per cent, declining from $3.0 billion in 2007, to $1.8 billion in 2008. Within this category, countries/territories received a total of $1.5 billion, equal to a 35 per cent decrease over receipts in 2007 of $2.2 billion. Non-governmental organizations received $72 million, representing a loss in revenue of approximately 83 per cent from $437 million in 2007. Unilateral self-supporting contributions accounted for $277.8 million, a decrease from the $348.9 million reported in 2007 (20 per cent).

17. In contrast, the multilateral category showed a major increase in receipts, moving from $1.1 billion in 2007 to $1.8 billion in 2008 – a significant increase of 69 per cent. Within this category, receipts to the United Nations system amounted to $1.4 billion, an increase of 175 per cent over the $523.8 million received in 2007. Contributions to non-United Nations system measures dropped from $540.4 million in 2007, to $363.2 million, representing a decrease of 33 per cent.

B. United Nations Development Programme

18. The UNDP strategic plan 2008-2011, articulates the alignment of the organization with the Millennium Development Goals, as mentioned earlier in this document. UNDP focuses on four areas of comparative advantage: poverty eradication and internationally agreed development goals, including the Millennium Development Goals; democratic governance; crisis prevention and recovery; and environment and sustainable development.

19. UNDP programme expenditure rose from $2.0 billion in 2004, to $2.5 billion in 2005, $2.8 billion in 2006 and 2007, and $3.0 billion in 2008. Expenditure from central plus administered funds of UNDP was $4.3 billion in 2008 – an 11 per cent increase when compared to the 2007 level of $3.9 billion. Expenditure funded from regular resources, saw an increase of 10 per cent over the amount reported in 2007 from $536.7 million to $590.4 million. Third party cost sharing rose from $974.0 million in 2007 to $1.3 billion in 2008, representing a 35 per cent increase.

20. Voluntary contributions to UNDP appeared stable between the two years under consideration, with 2008 accounting for a small decline of almost 2 per cent. An analysis of growth trends beginning in 2004 showed a consistent rise in contributions to UNDP, recorded as follows: 2004 – $833.4 million and 2005 – $914.5 million. Income received in 2007 was the largest recorded in the last five years; therefore, the 2 per cent decrease in 2008 indicates a downturn in receipts.

C. World Food Programme

21. In 2008, the technical cooperation expenditure of WFP showed an increase of 28 per cent, to $3.5 billion from $2.7 billion in 2007. The five-year trend, 2004-2008, shows that WFP recorded technical cooperation expenditures of $2.9 billion in 2004, $2.9 billion in 2005, $2.7 billion in 2006, $2.8 billion in 2007 and $3.5 billion in 2008, respectively.

22. WFP spent $1.6 billion (60 per cent) of its resources in the humanitarian assistance sector. Within the Africa region, five countries accounted for $646.4 million (23 per cent) of WFP expenditure, namely: Kenya – $190.3 million; Ethiopia – $168.9 million; Uganda – $113.1 million; Zimbabwe – $97.9 million; and the Democratic Republic of Congo – $76.2 million. The Asia and the Pacific region was the next largest recipient, with Afghanistan receiving $133.7 million, Bangladesh receiving $79.4 million, Indonesia receiving $45.0 million, Sri Lanka receiving $43.0 million, followed by Thailand receiving $39.7 million.

23. Voluntary contributions to WFP for the 2008 fiscal year were $5.0 billion, an increase of 77 per cent from the $2.8 billion received in 2007. WFP has shown consistent growth in funding, having received $1.9 billion in 2004, $2.6 billion in 2005, $2.7 billion in 2006, $2.8 billion in 2007 and $5.0 billion in 2008.

D. United Nations Children's Fund

24. The technical cooperation expenditure of UNICEF increased from $2.4 billion in 2007 to $2.7 billion in 2008, an increase of 11 per cent. An analysis of the five-year trend of UNICEF participation in technical cooperation expenditure shows an increase from $2.4 billion in 2004, to $2.7 billion in 2008. Greater detail is available in table 14 of DP/2009/32/Add1. UNICEF has continued to surpass the $1 billion level in technical cooperation expenditure for the fifth consecutive year. The organization has directed $692.9 million of its resources to the humanitarian sector,

followed by $640.3 million to the health sector and $529.8 million to general development issues. In 2007, these three sectors accounted for $1.9 billion (76 per cent) in combined expenditures.

25. In 2008, technical cooperation provided to the Africa region amounted to $1.0 billion (41 per cent) of total expenditure. The five major recipient countries were: Democratic Republic of Congo – $115.8 million; Ethiopia – $98.1 million; Nigeria – $94.7 million; Uganda – $61.7 million; and Angola – $51.7 million. The Asia and the Pacific region followed, with $686.2 million (28 per cent) of total technical cooperation expenditure. The five highest recipient countries within this region were: Indonesia - $119.8 million; India – $107.1 million; Pakistan – $101.6 million; Afghanistan – $78.3 million; and Bangladesh – $56.4 million. These two regions received $1.7 billion (69 per cent) of overall assistance.

26. The five year trend in voluntary contributions donated to UNICEF was as follows: 2004 – $1.5 billion; 2005 – $2.5 billion; 2006 – $2.7 billion; 2007 – $2.9 billion; and 2008 surpassing that record, with $3.4 billion in contributions. For the 2008 fiscal year, the increase in contributions to UNICEF was 14 per cent more than the amount received in 2007.

E. United Nations Population Fund

27. The technical cooperation expenditure of UNFPA increased from $477.8 million in 2007, to $554.0 million in 2008, an increase of 16 per cent. This significant rise in programme expenditure was split across five regions. Africa and the Asia and the Pacific region received $129.4 million and $79.8 million, respectively, totalling $209.2 million (44 per cent) in technical cooperation expenditure. The five top recipient countries, in order of expenditure, were: Mozambique – $27.0 million; Sudan – $21.6 million; Democratic Republic of Congo – $13.9 million; India – $13.5 million; and Peru – $12.8 million.

28. For the 2008 fiscal year, UNFPA received $754.8 million in voluntary contributions – an increase of 12 per cent over $673.9 million received the prior year. For the five-year period beginning in 2004, voluntary contributions to UNFPA were: $406.6 million – 2004; $483.8 million – 2005; $529.1 million – 2006; $673.9 million – 2007; and $754.8 million – 2008.

F. The World Bank/International Development Association

29. As mentioned earlier in this document, the World Bank/International Development Association stopped recording expenditures specifically related to technical cooperation activities in 1998. In its place, the World Bank group uses a combination of loans and grants related to assistance preceding, or combined with, large-scale programmes and projects. Funding for these activities is often provided from: (a) learning and innovation loans; (b) technical assistance loans; (c) institutional development funds; and (d) the development grant facility. For a further breakdown of the World Bank group allocation of resources, reference may be made to table 23 of document DP/2009/32/Add.1.

30. The World Bank group reported total expenditure of $138.8 million, which represents a 39 per cent drop in technical assistance over $227.2 million reported in the prior year. The World Bank issued resources in the amount of $52.0 million during 2008, versus $96.4 million in 2007, equal to a decrease of 46 per cent. In 2008, the International Development Association expended $87.0 million in resources versus $130.8 million in 2007, a decrease of 33 per cent.

Annex

United Nations system: summary statistics on technical cooperation expenditure and contributions, 2004-2008

(in millions of dollars)

	2004		2005		2006		2007		2008	
A. Expenditure	$M	% g/	$M	% g/	$M	% g/	$M	% g/	$M	% g/
Executing and specialized organizations	2 623.1	4.5	3 322.8	26.7	3 086.9	(7.1)	3 518.9	14.0	4110.2	16.8
Regular budgets	496.8	(4.1)	597.0	20.2	380.3	(36.3)	470.8	23.8	650.2	38.1
Extra budgetary	2 126.3	6.7	2 725.8	28.2	2 706.7	(0.7)	3 048.1	12.5	3460.0	13.5
UNDP	2 816.7	17.3	3 652.9	29.7	4 040.7	10.6	3 860.4	(4.5)	4 269.8	10.6
Total programme	2 017.2	16.1	2 535.1	25.7	2 798.4	10.4	2 797.3	(0.04)	3 036.1	8.5
Regular	421.0	17.8	490.3	16.5	532.6	8.6	536.7	0.8	590.4	10.0
Government cost-sharing and government cash counterpart contributions	1 081.7	0.3	1 186.2	9.7	1 423.0	20.0	1 286.6	(9.6)	1 130.8	(12.1)
Third-party cost-sharing	514.5	67.9	858.6	66.9	842.7	(1.85)	974.0	15.6	1 314.9	35.0
Funds and administered trust funds	799.6	20.3	1 117.8	39.8	1 242.3	11.1	1 063.2	(14.4)	1 233.7	16.0
UNFPA	317.6	16.4	388.0	22.1	392.1	1.1	477.8	21.8	554.0	15.9
UNICEF	1 343.6	11.2	1 960.4	45.9	2 070.3	5.6	2 446.5	18.2	2 724.9	11.4
WFP	2 899.6	(11.5)	2 892.4	(0.2)	2 665.0	(7.9)	2 753.3	3.3	3 533.1	28.3
World Bank group	271.6	(27.5)	336.6	23.9	162.3	(51.8)	227 .2	40.0	138.8	(38.8)
World Bank	42.5	(72.8)	70.0	64.7	90.8	29.7	96.4	6.2	52.0	(46.0)
International Development Assoc.	229.1	4.9	266.6	16.4	71.5	(73.2)	130.8	82.9	87.0	(33.5)
Other sources	-	-	-	-	-	-	-	-	-	-
Total (expenditures) excluding the World Bank group	10 000.6	3.4	12 216.6	22.2	12 255.1	0.3	13 057.0	6.5	15 192.1	16.3
B. Contributions										
Organizations – Extra-budgetary	2 575.7	(0.1)	3 574.5	24.1	3482.2	(2.6)	4 097.9	17.7	3 622..9	(11.6)
Total bilateral	2 038.9	12.9	2 841.1	37.4	2278.4	(19.8)	3 033.7	33.1	1 818.5	(40.0)
Countries/territories	1 567.1	13.2	2 354.7	50.3	1 733.8	(26.4)	2 247.8	30.0	1 468.7	(34.7)
Non-governmental organizations	207.8	10.1	167.2	(38.9)	193.6	15.8	437.0	126.0	72.0	(83.5)
Unilateral self-supporting (T10)	264.0	13.0	319.2	20.9	351.0	10.0	348.9	(0.8)	277.8	(20.4)
Total multilateral	536.8	(30.4)	733.4	(26.5)	1 203.8	64.1	1 064.2	(11.6)	1 804.4	69.5
United Nations system	278.1	(49.4)	357.5	(37.8)	291.2	(18.6)	523.8	80.0	1 441.2	175.1
Non-United Nations system	258.7	16.8	375.9	(14.3)	912.6	142.8	540 .4	(41.0)	363.2	(32.8)
UNDP (voluntary)	833.4	9.3	914.5	8.4	916.3	0.2	1 108.2	20.9	1 087.6	(1.9)
UNFPA (voluntary)	406.6	21.5	483.8	19.0	529.1	9.4	673.9	27.4	754.8	12.0
UNICEF (voluntary)	1 460.8	32.8	2 540.5	73.9	2 652.4	4.4	2 945.1	11.0	3 370.2	14.4
WFP (voluntary)	1 898.7	(23.2)	2 572.6	35.5	2 741.0	6.5	2 847.3	3.9	5 041.8	77.1

g/ Represents percentage increase/decrease from previous year.

Note: Contribution data refers to regular resources from contributions by Member States. Voluntary contributions comprise only one element of total income. In the case of UNDP, the elements other than this are: cost-sharing; funds and trust funds; government cash counterpart contributions; contributions to local office costs; extra-budgetary activities; and management. In the case of UNICEF, other elements of income include various private sources, inter-organizational arrangements and miscellaneous.